CHAPTER 34

GLOBAL CAPITAL ACCUMULATION AND THE SPECIFICITY OF LATIN AMERICA

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The theme of Latin America and its relationship with the works and ideas of Karl Marx has been broadly approached from four different angles. First, there has been philological research and textual analysis of the scattered passages in which Marx comments on the realities of Latin American countries and the controversies around them among Marxist scholars. Secondly, one can find historiographic debates over the problematique of the mode of production that gave shape to colonial Latin America. Thirdly, some Marxist scholars developed radical critiques of mainstream theories of development that attempted to account for the phenomenon of the so-called underdevelopment of capitalism in Latin America, mostly associated with “sociological” versions of dependency theory. Lastly, there has been original and creative work by Latin American authors that, taking Marx’s mature critique of political economy as presented in the Grundrisse, the 1859 Contribution and Capital as point of departure, have attempted to develop it further in order to provide a rigorous account of the specificity of capital accumulation in Latin America through the systematic categorial development of the determinations of the value-form (i.e., through the worldwide unfolding of the “law of value.”)1

This chapter offers a critical overview that focuses on the controversies surrounding Marx’s texts on Latin America and “value-theoretic” analyses of uneven development in the region, with only brief reference to the other two literatures. Length constraints aside, the main reason for this is that the former are the works that draw direct inspiration from Marx’s own writings. By contrast, the other two approaches have a more indirect and derivative connection to Marx’s own works; as a matter of fact, their more immediate intellectual influence can be traced down to the works of later Marxists, whether the Marxist orthodoxy crystallized out of the Second International, the Althusserian critical reaction to the latter, or “classical” theories of imperialism (e.g., Lenin, Luxemburg, Bukharin).

1. Brief Overview of Marx’s Texts on Latin America

Until the early 1970s the prevailing assumption among scholars was that there were very few texts in which Marx directly referred to the realities of Latin American societies. This was sometimes interpreted as an expression of what Regis Debray (1975) bluntly characterized as an “outright indifference” on Marx’s part to the world-historical significance of the region. This view started to change with the publication of a collection of materials on Latin America from Marx’s writings by the radical publisher Pasado y Presente, under the editorship of Pedro Scaron (Marx and Engels 1972).2 As Scaron (1972:5) puts it in the introductory essay, Marx (and/or Engels) made numerous comments on Latin American realities, although he acknowledges that even if more abundant than usually assumed, they nonetheless represent a very minor proportion of their complete works. In fact, they are relatively scarce even in comparison with Marx’s engagement with the realities of other “peripheral” countries such as India, Russia, or Spain (García Linera 2009b:153). Moreover, these passages tend to be unsystematic or scattered, and a large number of them appear in journalistic writings or in personal correspondence, rather than in Marx’s major theoretical works. Still, they do form a “critical mass” that, for better or worse, provided sufficient material from which many Latin American Marxist scholars have drawn inspiration to inquire into the societies of this region and their historical dynamics.

Following Scaron’s organization of these texts, Marx’s references to Latin America can be thematically grouped as follows. A first set of fragments refer to “Indigenous America,” and they can all be found in the different “mature” versions of the critique of political economy (the Grundrisse, the Contribution to the Critique of Political Economy, and Capital). However, they mostly consist of brief, in-passing references that do not form the focus of Marx’s analysis. In general, they usually revolve around the contrast between modern capitalist society and pre-capitalist forms of the human social reproduction process, in order to throw the former’s historicity into relief. Thus, Marx

1 One could add here Latin American contributions to value-form theory and method as such. Hoff (2017) provides a useful literature survey in English.

2 Pedro Scaron was the translator of one of the two main editions of Capital available in the Spanish language (that of Siglo XXI and dating from 1975, the other being that by Wenceslao Roces and published by Fondo de Cultura Económica).
tends to note the absence or marginal and rudimentary development of the commodity and money forms (Marx [1867] 1976b:182; Marx [1885] 1978:196, 226; Marx [1858] 1987b:456; Marx [1859] 1987c:299; Marx [1872] 1987b:102, 168, 237, 239, 473, 490, 833, 837). Although not included in Scaron’s edited volume, one could also include under this heading Marx’s discussion of communal property forms in pre-Columbian Latin America from his notes on Kovalevsky’s *Communal Landownership* contained in his 1879–1882 excerpt notebooks (Anderson 2010; García Linera 2009b).3


In the third place, there are Marx’s comments on “Slavery in the Americas” and on “Peonage and work in the mines.” In fact, the former passages tend to address the question of plantation slavery in the United States and the Caribbean, usually emphasizing the “intrinsic connection” between the consolidation of slavery in the New World and the development of modern industry in England (Marx [1858] 1987b:191–196; Marx [1846] 1975:93; Marx [1847] 1976a:167–168; [1867] Marx 1976b:571, 924; Marx and Engels [1850] 1978a:501; Marx [1857–1858] 1993:98, 513). The implications for Latin America are self-evident. As for Marx’s very brief and scarce fragments on debt peonage and work in the mines, they include a letter to Kugelmann (Marx [1867] 1987a:442) and a couple of passages from Volume I of *Capital* (Marx [1867] 1976b:271, 278). Again, however, there are a number of references to the concrete forms taken by Spanish colonialism in the New World in the 1879–1882 excerpt notebooks, in which Marx generally stresses the brutality of the forms of exploitation of Amerindians, for instance, through the *encomiendas* system (Anderson 2010:220–222).

Finally, Marx’s most extensive engagement with Latin America can be found in a series of texts which deal with the topics of “Independence,” on the one hand, and with the “Mexican War” with the United States (between 1846 and 1848) and the “Intervention of ‘Juarist’ Mexico” by Spain, France and England (between 1861 and 1867), on the other. Regarding the texts on national independence in Latin American countries, they mostly consist either in passages from journalistic articles on “The Revolutionary Spain” published in the *New York Daily Tribune* in 1854 (Marx [1854] 2009), or in entries that

Marx and Engels contributed to the *New American Cyclopaedia* that appeared between 1857 and 1859. Among the latter, a biographical article on Simón Bolívar stands out, both for its more detailed and substantive engagement with the realities of Latin America and for the subsequent controversies to which it gave rise among Marxists (Marx [1888] 2014:103–115).4 For its part, Marx and Engels’s engagement with the American intervention in Mexico mainly appears in journalistic articles that were published in the *Deutsche Brüsseler Zeitung* in 1848 (Engels [1848] 1976), in the *Neue Rheinische Zeitung* between 1849 and 1850 (Engels [1849] 2010b; Marx and Engels [1850] 1978a; Marx and Engels [1850] 1978b), in the *New York Daily Tribune* in the early 1850s (Engels [1851–1852] 1979) and in *Die Presse* in 1861 (Marx [1861] 2010a). As for the writings dealing with the joint Spanish-English-French intervention in Mexico in the 1860s, they chiefly comprise a comparatively important number of pieces dating from 1861 and 1862, which were published in *Die Presse* and *New York Daily Tribune*, and in which Marx offers extensive commentary on the armed conflict unleashed by the military campaign in Mexico undertaken by the aforementioned three European countries (Marx [1861] 2010b, Marx [1861] 2010d). Now, since these latter texts on “Independence,” “The Mexican War,” and “The Intervention in Mexico” have been at the heart of the debates generated around Marx’s comments on Latin America, they shall now be examined a little closer.

As previously stated, the fundamental primary source on Marx’s engagement with the attainment of independence by Latin American countries is a biography of Simón Bolívar that appeared in *The New American Cyclopaedia* in 1858. At first sight, the content of the text itself seems quite unremarkable and of little scientific value. It is a rather descriptive account of Bolívar’s political and military endeavors throughout his lifetime as “liberator” of Venezuela (and South America more broadly) “from the Spanish yoke.” However, the text is written with undoubtedly hostile overtones, through which Marx seems to be willing to unmask and overthrow the mythical figure of Bolívar as regional hero and political-military leader (for instance, by pointing to the cowardice that he tended to display in battle). More specifically and, as we shall see, of special significance for the subsequent debates that this biography would trigger among later Marxist scholars, at one juncture Marx refers to Bolívar as “the Napoleon of the retreat” (Marx [1858] 2014:109).5

Even if found in journalistic articles or letters, Marx’s commentary on the two foreign interventions in Mexico involves a relatively more direct and substantial analysis of the social realities of Latin American nations. Concerning the American intervention

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3 At the moment of the publication of Scaron’s compilation, there was no Spanish translation available of those excerpt notebooks (García Linera 2009b:31–32). According to García Linera (2009a:23), the works on the history of the colonization of the Americas that Marx consulted included: William Prescott’s *History of Conquest of Mexico* (1850), Herman Merivale’s *Lectures on Colonization and the Colonies* (1841–1842), Felix Wakefield’s *Colonial Surveying with a View to the Disposal of Waste Land* (1849), and Thomas Hodgskin’s *Inquiry into the Merits of the American Colonization Society* (1853).

4 However, it must be noted that in a letter to Hermann Schlüter dating from 1891, Engels made a deliberate warning against the attempt to make a great deal out of those *Cyclopaedia* articles and explicitly downplayed their intellectual significance (Engels [1891] 2010a:59). Whether the late Marx would have shared Engels’s judgment is an open question (as mentioned in note 5, he did defend his biography of Simón Bolívar back in 1858).

5 This hostility toward the figure of the Latin American “liberator” was so apparent in the article that it did not go unnoticed already at the time of its submission. As a matter of fact, Charles Dana, one of the editors of the *Cyclopaedia*, objected to the article’s “partisan style,” to which Marx critically reacted in a letter to Engels (Marx [1858] 2010c:266).
of Mexico, which would end up in the annexation of Texas to the former's national territory, the main source for Marx's views of the subject is actually an article signed by Engels on "The Movements of 1847" which appeared in the *Deutsche Brüsseler Zeitung* (Engels [1848] 1976). However, as Veraza (2012:440) points out, the text's authorship has been persuasively attributed to Marx (or, at any rate, even if it were Engels's, it seems uncontroversial that Marx would have agreed with its content). In that article, Engels (and/or Marx) states, with reference to the American invasion of Mexico, not only that they "have rejoiced at it," but that, from an objective world-historical viewpoint, it meant "an advance when a country . . . perpetually rent with civil wars, and completely hindered in its development . . . whose best prospect had been to become industrially subject to Britain . . . is forcibly drawn into historical process. It is to the interest of its own development that Mexico will in the future be placed under the tutelage of the United States" (Engels [1848] 1976:527).6

Marx's assessment of the later military intervention of Mexico by Spain, France, and England was altogether different. Right from the outset in the 1861 article in the *New York Daily Tribune*, he considers the prospects of invasion of Mexico by the three European countries as "one of the most monstrous enterprises ever chronicled in the annals of international history" (Marx [1861] 2010b:71). Moreover, in a companion piece that appeared in *Die Presse* around the same time, he depicts the whole expansionist expedition as an attempt to apply to "the states of America through a new Holy Alliance the principle according to which the Holy Alliance held itself called on to interfere in the internal governmental affairs of the countries of Europe" (Marx [1861] 2010b:69). As for its underlying true objective, Marx further submits that the invasion aimed at taking advantage of the favorable political conjuncture associated with the American Civil War, so that European monarchies would set a juridical precence against the continued validity of the Monroe Doctrine in international law. And with regard to the prospects in Mexico as a result of the European intervention, Marx states that it will most likely mean the restoration of anarchy in the Latin American country, precisely at a time when it had been actually receding. Still, despite this overall political denunciation of, on opposition to, the intervention in Mexico, it is rather clear that Marx's main concern and focus in all these writings is not the analysis of the economic and political situation in this country, but geopolitical international relations among European powers and between the latter (primarily England) and the United States. As Larrain succinctly observes, "the fate of Mexico itself seemed to be a secondary consideration" vis-à-vis Marx's "main concern to condemn the policies of Palmerton" (Larrain 1991:234).

In sum, even if unsystematic and scattered, there are various occasions in Marx's writings in which he reflects upon, or pays attention to, the realities of Latin American societies. However, it is also fair to conclude, as García Linera puts it, that those texts are for the most part descriptive or informative of concrete historical events and that there is no full article or significant piece of writing in which Marx critically examined the specificity of the economic structure and political forms prevailing in the region, with their particular contradictory foundations and historical modes of motion and development (García Linera 2009b:34). It is this "lacuna" which opened the space for the most disparate interpretations of the unity and implications of Marx's implicit perspective on the particularities of Latin America.

### 2. Controversies over Marx's Views of Latin America

Although the more heated debate would emerge after the publication of José María Aricó's in-depth study of the question in 1980 (Aricó [1980] 2010), Scarón's brief introduction to *Materials for the History of Latin America* (and also some of the extensive endnotes), already provided a critical reading of those seemingly unconnected and incidental passages in order to make sense of their overall underlying meaning (Scarón 2012:6-13). In fact, even if no more than brief and tentative reflections, Scarón's interpretation undoubtedly constituted a forceful influence on Aricó's more extensive and comprehensive study (Crespo 2014:xiii), whose provocative reading can be encapsulated in the term that he used to describe what he saw as the difficult relationship between Marx and Latin America, namely, "disconnection" (*desencuentro* in Spanish) (Aricó [1980] 2014:chapter 7).8

According to Aricó, this *desencuentro* underlying Marx's (and Engels's) relative neglect of Latin America ("an evaded reality," as he puts it in the title of the opening chapter of his book) cannot be convincingly attributed to a supposed "Eurocentrism" on their part (Aricó [1980] 2014, chapters 2 and 3). Briefly, the alternative explanation offered by Aricó of Marx's inability to properly understand the peculiarities of Latin American reality and its historical potentialities revolves around two main arguments, one theoretical and one political (Veraza 2012:450–451). In the first place, Aricó blames what he sees as Marx's incomplete break with Hegel's view of the state; or rather, that he somehow remained trapped within the terms of Hegel's philosophy of right. This allegedly made Marx fall prey to an "inverted Hegelianism" (i.e., a mirror image of Hegel's "statist" perspective), according to which it is simply impossible for the state to act as demigur or producer of civil society. Thus, in being at pains to reject Hegel's hypostatized conception of the state, Marx would have been left unarmed to understand the specificity of Latin American societies that, according to Aricó, consists precisely of the fact that in this part...
of the world social reality itself is "Hegelian." In other words, in this region of the globe civil society does not engender the state; it is the other way around: the state comes "first" and civil society (hence, implicitly, capital and social classes as its personifications) is a derivative phenomenon. In the second place, Aricó sees a political reason behind Marx’s failure to come to grips with Latin America reality. More concretely, Marx’s trenchant anti-Bonapartism would have led him to be suspicious of processes of national independence one-sidedly led by oligarchic elites, in the context of an incapacity of domestic popular classes to take active part in a project of “social regeneration” (i.e., of nation-building “from below”) (Aricó [1980] 2014:45). In turn, according to Aricó, in order to explain this apparent weakness of “popular” classes in Latin America, an additional element comes into play: Marx’s implicit recovery of Hegel’s notion of “non-historic peoples,” which would have been unearthed for the Latin American case despite the fact that it had been left behind for other "peripheral" societies after the 1850s (Aricó [1980] 2014:47–48).

Aricó’s thesis would not go undisputed for very long. Already in the introduction to the first edition of Marx and Latin America, Franco (2014:XIV–XLI) warns the reader that the charge of Eurocentrism against Marx and Engels cannot be so easily dismissed in the case of Latin America. More recently, García Linera has noted that Aricó’s reading overlooks that Marx considered that the key element and “decisive factor” in an autonomous nation-building process was the “vitality of the masses,” “the people in motion” (García Linera 2009b:60). And if Marx did not find this feature in the case of Latin American societies it was not because of his Hegel-infused “blindness” but because, in actual objective reality, “empirically,” this “mass energy” did not exist as a generalised social movement (García Linera 2009b:61).

The most trenchant but also the most rigorous and sharp critical discussion of Aricó’s (and Scarón’s) reading of the connection between Marx and Latin America is that by the Mexican scholar Jorge Veraza (2012). Among the numerous other forceful criticisms developed by this author, Veraza challenges Aricó’s claims about Marx’s inability to come to grips with the “Hegelian” nature of Latin American social reality, according to which in this part of the world the state would be “prior” to, and hence producer of, a modern civil society. Against this view, Veraza argues that those “Bonapartist” political forms do not constitute the essence of Latin American reality but its inverted form of appearance, which Aricó, unlike Marx and from a clearly “political” and “culturalist” perspective (Veraza 2012:461), uncritically takes at face value (Veraza 2012:456). The state-form, Veraza continues, is for Marx the “transfigured political form of capital” (Veraza 2012:458); a materialist approach should therefore actually search for its content in the concrete forms taken by the essentially global process of capitalist development in Latin America, and explain on that basis why they take an apparently Bonapartist political form. But this means that in order to shed light on Marx’s fragmented and incidental engagement with Latin American realities in those journalistic writings, letters, etc., the latter should be read in light of his systematic work in the critique of political economy (i.e., from the categorical and methodological perspective of Capital).

While I concur with the "spirit" of Veraza’s critique of Aricó, and also with his alternative strategy of trying to make sense of the underlying meaning and unity of Marx’s writings on Latin America on the basis of his mature work in critique of political economy, I think that he overstates the extent to which Marx himself developed in Capital all the more concrete mediations that would have allowed him to fully and consistently explain the specific economic and political forms taken by global uneven development in this region of the capitalist world market. The further systematic unfolding of the Marxist “law of value” for the comprehension of the specificity of capitalism has been nonetheless creatively done by later Latin American scholars. In the next section, I therefore turn to this later strand of Marxist literature that, albeit on the basis of the general categorial content and method of Capital, have moved beyond it in order to shed light on the specific forms taken by Latin American societies.

3. Uneven Global Capital Accumulation, the International Division of Labor and the Specificity of Latin America

In his overview of theories of imperialism, unequal exchange and dependency, Dussel ([1988] 2001:205–214) perceptively notes that most Latin American attempts to account for the phenomenon of global uneven development and its specific manifestation in the this part of the globe, whether debates on the mode of production prevailing in (or since) colonial times (Frank 1969, Laclau 1971, Sampat Assadourian et al. 1986) or sociological critiques of mainstream development theories (Bambirra 1978, Cardoso [1977] 1979, dos Santos 1978), have ultimately failed to go beyond explanations that either focus on the historical genesis of the “differentia specifica” of the region. At most, they simply provide descriptions of the outward “empirical appearances” of the mechanisms that reproduce the limited potentialities of capitalist development in these countries, without inquiring into its fundamental determinants. In other words, Dussel’s argument goes, those approaches choose to follow a “phenomenal road” in which “not a single one of the essential categories of Marx’s critical political economic discourse is used” ([1988] 2001:211). By contrast, he claims, the critical-scientific explanation of the qualitative specificity of Latin American societies must be based on a methodologically rigorous systematic development of the form-determinations that shape the unfolding of the law of value on a global scale (Dussel [1988] 2001:209).

The first part of this section draws partly on Grinberg and Starosta (2014). Further elaboration of the arguments can be found in the essays collected in Charnock and Starosta (2016).
Among the few notable exceptions that do follow this latter road, Dussel mentions Ruy Mauro Marini’s pioneering and influential *Dialectics of Dependency* (Marini 1973), based on the essentiality of “super-exploitation” of labour as the distinguishing mark of Latin American national societies, and Kalmanovitz’s critique of dependency theory (Kalmanovitz 1986). Dussel himself puts forward his own idiosyncratic take on unequal exchange based on differences in the organic compositions of capital in the “centre” and “periphery” (an approach that he traces back to non-Latin American scholars such as Grossmann, Battlehein and Palloix) (Dussel 1988: 2001: 207–209). The list could be expanded to include the work of Osorio (2016), Caputo Leiva (1981) and Astarita (2010), among others.

Space constraints do not allow me to critically assess each of these perspectives, a task, however, that has been done elsewhere (Fitzsimons and Starosta 2018; Iiigo Carrera 2017; Kornbluhit 2017). Instead, in the rest of this section, I would like to offer an alternative approach that builds on innovative theoretical scholarship that has emerged in the last twenty to twenty-five years under the auspices of the Centre for Research as Practical Criticism (CICP), based in Buenos Aires, Argentina, and especially the work of the independent scholar Juan Iiigo Carrera. This work, which is only just beginning to appear in Anglophone literatures—in part, because it has been developed outside of formal academic structures and networks—represents a thorough reexamination of Marx’s critique of political economy and its dialectical-methodological foundations (Iiigo Carrera 2013; Iiigo Carrera 2014a; Iiigo Carrera 2014b).

While drawing upon Marx’s fundamental insight into the determination of capital as a *materialized* social relation that becomes the immediate alienated subject of the organization of the process of social life in its immanent unity, it also moves some way beyond it so as to cast fresh light on global transformation and uneven development in Latin America.

The historicity of capitalist production derives from the private and independent form taken by human labor. In this form of the human-life process, the social character of labor becomes fetishistically inverted into an objective attribute of its product, namely, the value-form, which determines useful objects as commodities (Marx 1867: 1976b: 132). Social relations thus take the alienated form of powers of the product of labor, and human beings become determined as personifications of those objectified forms of social mediation; in its simplest form, as “representatives of ... commodities” (Marx 1867: 1976b: 178–179). This indirect form in which the unity of social labor is established is fully developed when it becomes capital. Subsumed under the capital-form, the production of surplus value—in short, the formally boundless quantitative progression of the reified “social nexus”—becomes the content of social life (Marx 1867: 1976b: 251–257). In this more concrete form as self-valorizing value, the materialized social relation does not simply formally mediate the material life-process of human beings but actually becomes inverted into the very alienated subject of the process of social reproduction and its expansion in its *unity*; the material metabolism of society takes the inverted form of the accumulation of the total *social capital* (Marx 1867: 1976b: 763). In other words, in capitalist society the process of human metabolism is characterized by an automatism subject to laws, whose motion obviously takes shape through the conscious action of individuals but whose general unity is unconsciously established “behind their backs.” The “law of value” is the succinct term that refers to the unity of the determinate forms of movement assumed by this alienated mode of existence of social life in all its concrete complexity.

In the process of renewal of the conditions for its self-valorization, the total social capital produces and reproduces commodity owners as members of antagonistic social classes (Marx 1867: 1976b: 723–724; Marx 1885: 1978: 185). In its simplest determination, the class struggle is thus the most general direct social relation between collective personifications of commodities (thereby determined as a political form of social relations), which mediates the reproduction of the indirect relations of capitalist production through the generalized commodity-form (thereby determined as the economic form of social relations) (Starosta 2015, chapter 7). Although a necessary form taken by the reproduction of the total social capital, the antagonistic character of the class relation disrupts the fluidity of the former’s valorization. The establishment of the general unity of social labor must therefore take shape through a further objectified form of social mediation, the state, which confronts commodity-owners (the personifications of money-as-capital and of the commodity labor-power), as an apparently external power with the authority and capacity to establish the overall direct regulation of their antagonistic social relations (Iiigo Carrera 2012; Marx 1867: 1976b, chapter 10; Starosta and Calogiris 2017, chapter 5). The state thus develops as the most concrete political form that embodies the direct organization of the unity of the conditions of social reproduction in its alienated capital-form (Marx 1867: 1976b: 719ff). That is, the state is the concrete form taken by the essentially indirect social relations through the valorization of capital. By virtue of this content, the state becomes the *general political representative of the total social capital*. In brief, capitalist social relations exist as differentiated into economic forms (the autonomised movement of capital-commodities on the market) and political forms (class struggle and the state). The latter, far from enjoying “autonomy” (relative or otherwise), are the necessary mode of realization of the contradictory content of the economic mode of existence of capitalist social relations. In other words, class struggle and state policies are not to be conceived of as independent, self-subsisting factors that externally modify or influence the workings of the law of value. Instead, they need to be grasped as necessary modes of motion through which the law of value further unfolds beyond the strictly economic forms immediately springing from the indirect nature of the social relations of capitalist production.

As an expression of its inherently self-expansive nature, this fetishized social relation is global in *content* and national only in *form* (Clarke 2003; Iiigo Carrera 2016; Marx 1857–81 1992: 277–278, 280). This means that it is the self-valorisation of value on a global scale, or global accumulation on the level of total social capital, that constitutes the immanent end in the world market (Smith 2006: 193). It follows from this that neither class antagonism nor its expression in the concrete form of state policies or “domestic institutions” determine the modality and course of capitalist development within each national space of valorization. Instead, those nationally differentiated political
and institutional forms mediate the unfolding of the underlying formal and material unity of the inherently contradictory dynamics of the accumulation of the total social capital at the global scale. Moreover, the immanent content of these global dynamics is not one of “imperialism” or “dependency” (i.e., a direct political relation between states, another mediating form), but determined by the worldwide production of (relative) surplus value.

This eminently unconscious and crisis-ridden social process gives rise to changing constellations of the international division of labor and, as a consequence, to evolving developmental potentialities for each national space that mediates the production of relative surplus value by the total social capital across the globe. The latter is, in sum, the general economic content that is realized in the political form of state policies (domestic and foreign) and class conflict, albeit “behind the backs” of the antagonistic actions of the personifications involved (i.e., social classes and their diverse political organizations, political elites, and/or state managers).

Now, as is recognised by virtually all accounts of the history of capitalist development in Latin America, the original subsumption of these territories to the global accumulation of capital was based on the production of agricultural and/or mining commodities for the world market. As Marx remarks in Capital, the establishment of this “classic” modality of the international division of labor (that he labels “new”), which “converts one part of the globe into a chiefly agricultural field of production for supplying the other part, which remains a pre-eminentively industrial field” (Marx [1867] 1976b:580), was determined by the production of relative surplus through the system of machinery of large-scale industry.

In effect, the exceptional natural conditions prevailing in many of these territories allowed for a greater productivity of agricultural or mining labor, thereby resulting in the cheapening of means of subsistence and a lower value of labor power. However, this form of subsumption of Latin American territories into the global circuits of accumulation was ridden with a contradiction: if, on the one hand, the total social capital enhanced its valorization by reducing the value of labor-power, on the other this was partly offset by the drain of surplus value, otherwise available for capital’s appropriation, flowing into the pockets of domestic landowners in the form of ground rent.

Moreover, to the extent that primary commodities produced in the region have been exported and consumed overseas, ground rent has constituted a continuous extraordinary international inflow of social wealth (as opposed to the aforementioned normal outflows in the process of equalisation of the worldwide rate of profit overly emphasized by dependentistas). Capital was thus driven to overcome this barrier to its accumulation capacity by reshaping those spaces of valorization in order to recover part of that surplus value, through the establishment of an “antagonistic association” with local landowners over the appropriation of ground rent. From being simply a source of cheap raw materials and means of subsistence, those territories became also determined as sources of ground rent recovery for global industrial capital. The developmental trajectory of these countries has been determined by the historical course of this modality of capital accumulation, not only throughout the so-called agro-export stage but also during the so-called Import Substituting Industrialisation (ISI) phase and, in South America, until contemporary times (Íñigo Carrera 2016:34–47).

As Calgaris (2016:66) points out, insofar as “the political representation of the global total social capital by the state is mediated by the national form taken by the accumulation process” the total social capital’s recovery of ground rent “must take shape, first of all, in the appropriation of ground-rent by the national total social capital of ‘resource rich’ countries through its own national state.” This political mediation has been necessary to block the “spontaneous” course of ground rent toward landowners through a wide array of state policies that intervene in the circulation of ground rent—bearing commodities and divert its flow towards industrial capital. Thus, the transfer of ground rent has been achieved through different policy mechanisms (overvalued exchange rates, export and import taxes, direct state regulation of staple food and raw material prices, etc.), which resulted in the establishment of specific domestic conditions for the circulation of capital within those national territories. Consequently, its appropriation could only be done by industrial capitals operating within those countries and whose circuit realized its final phase (i.e., the sale of commodities) almost exclusively on protected domestic markets of a very limited size vis-à-vis world market norms (Grinberg and Starosta 2009:769). Although this has meant that individual capitals could not reach the scale needed for profitably utilizing advanced technologies, they have compensated for the resulting higher production costs by appropriating a portion of ground rent. In this way, they have valorized at the average rate of profit despite their restricted magnitude and backward technologies. This abundant extraordinary mass of social wealth has systematically complemented the surplus value extracted from the domestic working class to the point of marking the very specificity of the accumulation process in those national spaces.

10 Notably in the original colonial forms of subsumption, the production of the money commodity would be a key determining element in the specificity of the valorization of capital in the region.

11 Note, importantly, that at that stage of Marx’s systematic presentation it is clear that the (alienated) subject of the underlying unity of that material and social process is the (global) total social capital and not any particular national “aliquot part” of it. In this sense, it is noteworthy thatcowe’s translation, which posits that this was “suited to the requirements of the main industrial countries” (Marx [1867] 1976b:580, emphasis added), grossly distorts the German original, which speaks of the “requirements of the main sites of machine-based production” (“den Hauptsitzen des Maschinenbetriebs entsprechende”). Incidentally, Scarò’s Spanish translation is more faithful to Marx’s German text.

12 Ground rent is surplus value potentially appropriated by landowners due to their differential and absolute monopoly over non-reproducible natural conditions of production that, respectively, increase labor productivity in the primary sector or allow production altogether (Marx [1894] 1991:779–823, 882–907).

13 See Íñigo Carrera (2007) and Calgaris (2016) for a detailed account of those policies and their role in transferring ground rent to industrial capital (and the former bibliographical source, in particular, for statistical evidence supporting this argument for the case of Argentina).
The modality of the accumulation of capital based on the appropriation of ground rent in Latin American protected markets has been attractive for domestic capitals that, with the exception of those producing ground rent–bearing commodities, were not competitive enough to sustain their expanded reproduction by producing for the world market. But additionally and fundamentally, those markets have proved especially profitable for industrial capitals of foreign origin (i.e., TNCs), which were established there from the mid-to-late-1950s onward. Unlike the internationalization strategy of TNCs in East Asia (the establishment of “world market” factories, whether directly or through OEM arrangements), foreign capitals in Latin America operated on the smaller scale that those domestic markets required and, given their protected nature, actually made possible. In this way, TNCs in Latin America managed to valorize obsolete fixed capital and accumulate without spending a portion of surplus value in the active development of the productive forces of social labor. However, the other side of this same coin is that the scale of Latin American processes of capital accumulation continued to be structurally dependent on the highly cyclical evolution of the magnitude of ground rent available for appropriation (hence the widespread “political and institutional instability” that has historically characterized most Latin American countries, with sharp oscillations between nationalistic populist and/or developmentalist regimes and neo-liberal ones).

This also explains the noticeable lack of dynamism of capital accumulation in the region since the mid-to-late-1970s, which was momentarily and only partially reversed during the recent “primary commodities boom” that seems to be just coming to an end (politically expressed in the current shift to the right in, for instance, Argentina, Brazil, and Chile). In effect, the mass of ground rent, especially of agrarian origin, has been, on average, growing at a slower pace than is required by industrial capital in Latin American national spaces of accumulation. As a consequence, the process of capital accumulation in the Latin American countries slowed down or entered into deep crisis. In this context, and in order to compensate for the slowly growing ground rent in sustaining industrial capital’s profitability, these national processes of capital accumulation have resorted to other sources of extraordinary social wealth, such as the payment of labor power below its value and the massive inflow of global fictitious capital in the form of mounting foreign debts (the latter made available as a result of the expansion of international liquidity deriving from the long-standing crisis of global overproduction).

Now, since at least the late 1950s, the planetary production of relative surplus value by the total social capital has led to the emergence and gradual development and expansion of a novel configuration of the international division of labor, which has not simply displaced but co-exists alongside the “classic” modality just sketched out. Premised on the concrete material forms taken by the further automation of the capitalist labor process and advances in means of transport and communication, the so-called New International Division of Labour (NIDL) has revolved around the international fragmentation of the collective productive subjectivity of the working class (Fröbel, Heinrichs, and Kreye [1977] 1980; Iñigo Carrera 2013:66; Starosta 2016:84–96). Moreover, as a result of its own immanent tendencies, the simplest original form of the NIDL has evolved into a more complex constellation, whereby capital searches worldwide for the most profitable combinations of relative cost and qualities/disciplines resulting from the variegated past histories of the different national fragments of the working class. Each national sphere of accumulation that actively participates in the NIDL therefore tends to concentrate on a certain type of labor power of distinctive “material and moral” productive attributes of a determinate complexity. While spatially dispersed from each other, they are all collectively exploited by capital as a whole in the least costly possible manner.

Although this more recent global restructuring of the international division of labour had its most emblematic expression in the “late industrialisation” experience of East Asia since the 1960s (Grinberg 2016), it also had a profound impact in Latin America; paradigmatically in Mexico after the “debt crisis” of the early 1980s and more recently in Central America and the Caribbean Basin. Thus, despite the similar developmental trajectory of Mexico vis-à-vis Argentina and Brazil until the 1980s, in the past three decades the former country has transformed the specificity of its capital accumulation process. More concretely, it has become a source of relatively cheap and disciplined simple labor power for industrial capital in general, which exploits it in the material conditions (of scale and technology) needed for competitive world market production (whether directly in Mexico through the maquilas regime, or mediated through the international migration of workers into the United States). Hence the contrast with Argentina and Brazil, where capital continued to find it more profitable to valorize on the basis of the appropriation of a portion of ground rent: this happened either because the specific kind of labor power it needed was not there or was not cheap enough and/or because the mass of ground rent was large enough to offset the benefits of a “structural transformation” in the other direction by providing the source of extraordinary social wealth sustaining those profitable protected domestic markets.

**References**


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14 For the so-called Pink Tide in South America, see Grinberg and Starosta (2014) for Argentina and Brazil, and Purcell (2016) and Dachsevsky and Kornblith (2017), for Ecuador and Venezuela.

15 Note, additionally, that this point applies to intellectual labor as well (Huws 2014).


